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LEGISLATIVE HISTORY
Public Law 91-229
S. 227

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INDEX AND SUMMARY OF S. 227

Jan.	15, 1969	Sen. Burdick introduced S. 227 which was referred to Senate Interior and Insular Affairs Committee.
Sept.	9, 1969	Senate committee reported S. 227 with amendments. S. Report No. 91-393. Print of report.
Sept.	12, 1969	Senate passed S. 227 as reported.
Sept.	15, 1969	S. 227 was referred to House Interior and Insular Affairs Committee.
Feb.	3, 1970	House subcommittee approved S. 227.
Feb.	25, 1970	House committee voted to report S. 227.
Mar.	4, 1970	House committee reported S. 227 with amendments. H. Report No. 91-864. Print of bill and report.
Mar.	16, 1970	House passed S. 227 with amendment.
April	1, 1970	Senate concurred in House amendment.
April	11, 1970	Approved: Public Law 91-229.

91ST CONGRESS
1ST SESSION

S. 227

IN THE SENATE OF THE UNITED STATES

JANUARY 15 (legislative day, JANUARY 10), 1969

Mr. BURDICK introduced the following bill; which was read twice and referred to the Committee on Interior and Insular Affairs

A BILL

To provide for loans to Indian tribes and tribal corporations,
and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the Secretary of Agriculture is authorized to make loans
4 from the Farmers Home Administration Direct Loan Ac-
5 count created by section 338 (c) of the Consolidated Farmers
6 Home Administration Act of 1961, as amended (7 U.S.C.
7 1988 (c)), to any Indian tribe recognized by the Secretary of
8 the Interior or tribal corporation established pursuant to the
9 Indian Reorganization Act (25 U.S.C. 477), which does
10 not have adequate uncommitted funds, to acquire lands or
11 interests therein within the tribe's reservation as determined

1 by the Secretary of the Interior for use of the tribe or its
2 members. Such loans will be subject to the interest rate
3 provisions of section 307 (a) of said Act as now or hereafter
4 amended, and shall be limited to such Indian tribes or tribal
5 corporations as have reasonable prospects of success in their
6 proposed operations and as are unable to obtain sufficient
7 credit elsewhere at reasonable rates and terms to finance the
8 purposes authorized in this Act.

9 SEC. 2. Title to land acquired by a tribe or tribal corpo-
10 ration with a loan made pursuant to this Act may, with the
11 approval of the Secretary of the Interior, be taken by the
12 United States in trust for the tribe or tribal corporation.

13 SEC. 3. A tribe or tribal corporation to which a loan is
14 made pursuant to this Act (1) may waive in writing any
15 immunity from suit or liability which it may possess, (2)
16 may mortgage or otherwise hypothecate trust or restricted
17 property if (a) authorized by its constitution or charter or
18 by a tribal referendum, and (b) approved by the Secre-
19 tary of the Interior, and (3) shall comply with rules and
20 regulations prescribed by the Secretary of Agriculture in
21 connection with such loans.

22 SEC. 4. Trust or restricted tribal or tribal corporation
23 property mortgaged pursuant to this Act shall be subject to
24 foreclosure and sale or conveyance in lieu of foreclosure

1 free of such trust or restrictions in accordance with the laws
2 of the State in which the property is located.

3 SEC. 5. The Secretary of Agriculture is authorized to
4 make such rules and regulations, prescribe the terms and
5 conditions for making loans and for taking security instru-
6 ments and agreements, and to make such delegations of
7 authority as he deems necessary to carry out this Act.

A BILL

To provide for loans to Indian tribes and tribal corporations, and for other purposes.

By Mr. BURDICK

JANUARY 15 (legislative day, JANUARY 10), 1969

Read twice and referred to the Committee on Interior and Insular Affairs

PROVIDING FOR LOANS TO INDIAN TRIBES AND TRIBAL CORPORATIONS, AND FOR OTHER PURPOSES

SEPTEMBER 9, 1969.—Ordered to be printed

Mr. BURDICK, from the Committee on Interior and Insular Affairs, submitted the following

REPORT

[To accompany S. 227]

The Committee on Interior and Insular Affairs, to which was referred the bill (S. 227) to provide for loans to Indian tribes and tribal corporations, and for other purposes, having considered the same, reports favorably thereon with amendments and recommends that the bill as amended do pass.

The amendments are as follows:

On page 2, lines 2, 3, and 4, strike the words "will be subject to the interest rate provisions of section 307(a) of said Act as now or hereafter amended, and".

On page 3, line 1, insert commas around the phrase "free of such trust or restrictions".

On page 3, strike all of section 5 and insert a new section 5 as follows:

SEC. 5. Loans made pursuant to this Act will be subject to the interest rate provisions of section 307 (a) of the Consolidated Farmers Home Administration Act of 1961, as amended, and to the provisions of Subtitle D of that Act except sections 340, 341, 342 and 343 thereof: *Provided*, That section 334 thereof shall not be construed to subject to taxation any lands or interests therein while they are held by an Indian tribe or tribal corporation or by the United States in trust for such tribe or tribal corporation pursuant to this Act.

PURPOSE

The purpose of S. 227 is to authorize the Secretary of Agriculture, through the Farmers Home Administration, to make loans to any Indian tribe or tribal corporation for the purpose of acquiring lands within the tribe's reservation.

NEED

The provisions of the bill will be of assistance to tribes and to individual Indians in three main ways. First, it will provide authority for the Farmers Home Administration to make loans to tribes to enable them to purchase some lands which are in multiple ownership status, and thus to help solve the Indian heirship land problem. There are now over 11 million acres of trust or restricted land in individual ownership. It is estimated that between 60 and 70 percent of this land is owned by more than one person as tenants in common. Although the availability of loans is not the complete answer to the Indian heirship land problem, loans will be of assistance in some instances.

Second, individually owned trust or restricted land is passing out of Indian ownership at a rapid rate. Tribes are becoming increasingly concerned with the erosion of the Indian land base. Loans will enable tribes that are without funds to purchase such lands when offered for sale.

Third, tribes sometimes need to purchase non-Indian owned land and block it out for Indian use. The availability of loans will enable them to do so.

The scope of the need of financing for land purchases is indicated by the fact that as of June 1, 1969, tribes had indicated that they need nearly \$121 million for tribal land purchases. Tribes are using their own funds to the extent available for this purpose, but in most instances they do not have adequate available funds. The revolving fund of the Bureau of Indian Affairs from which loans for tribal land purchases may be made is presently overcommitted. Loans from banks or other customary lenders are generally unavailable because of the inability of most tribes to mortgage or otherwise encumber tribally owned land as security. Even the land purchased with a loan cannot be given as security if title thereto is taken in the name of the United States in trust for the tribe, in most instances. The inability of tribes to sue or to be sued also is a deterrent. The proposed bill will eliminate these constraints insofar as loans by the Farmers Home Administration are concerned.

The committee believes the enactment of S. 227 will provide Indian tribes with an added source of credit, and help them to meet some of their present needs for land financing.

AMENDMENTS

The Departments of the Interior and Agriculture have suggested several clarifying amendments which have been incorporated into the bill.

COST

The Department of Agriculture states in its report that—

With a loan program in the neighborhood of \$25 million for purposes contained in this bill, it is estimated that an additional expenditure of \$250,000 annually will be required for Farmers Home Administration salaries and administrative expenses.

DEPARTMENTAL REPORTS

The favorable reports of the Department of Agriculture, the Department of the Interior, and the Bureau of the Budget are as follows:

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D.C., July 31, 1969.

HON. HENRY M. JACKSON,
*Chairman, Committee on Interior and Insular Affairs,
U.S. Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: This is in reply to your letter of January 24, 1969, requesting a report on S. 227, a bill to provide for loans to Indian tribes and tribal corporations and for other purposes.

The Department of Agriculture concurs in the objectives of this bill, provided it is amended as suggested in the appendix to this report.

S. 227 would permit the Farmers Home Administration to make direct loans to any Indian tribe recognized by the Secretary of Interior or tribal corporation established pursuant to the Indian Reorganization Act which does not have adequate uncommitted funds to acquire lands or interest therein within the tribe's reservation for use of the tribe or its members. Loans will be made out of the Farmers Home Administration direct loan account created by section 338(c) of the Consolidated Farmers Home Administration Act of 1961, as amended. The loan interest rate will be governed by section 307(a) of the same act. Loans are authorized to be made only to tribes or tribal corporations that have reasonable prospects of success in their proposed operations and that cannot obtain credit elsewhere at reasonable rates and terms for the authorized purposes. The bill also provides that title to land or interests therein acquired by a tribe or tribal corporation could be taken by the United States in trust for the tribe or tribal corporation.

To meet Farmers Home Administration security requirements in connection with a loan made pursuant to the bill, a tribe or tribal corporation would be authorized, upon approval of the Secretary of the Interior, to waive its immunity from suit and to mortgage its trust or restricted property if such is authorized by its constitution or charter or by a tribal referendum. It also would permit a tribe or tribal corporation to comply with the rules and regulations prescribed by the Secretary of Agriculture.

The bill directs that property mortgaged pursuant to it will be subject to foreclosure and sale, or conveyance in lieu of foreclosure, free of trust or other restrictions, in accordance with the laws of the State in which the property is located.

The bill authorizes the Secretary of Agriculture to prescribe the terms and conditions of making loans and taking security therefor and to make delegations of authority to carry out the act.

With a loan program in the neighborhood of \$25 million for purposes contained in this bill, it is estimated that an additional expenditure of \$250,000 annually will be required for Farmers Home Administration salaries and administrative expenses.

The Bureau of the Budget advises that there is no objection to the presentation of this report from the standpoint of the administration program.

Sincerely,

J. PHIL CAMPBELL,
Acting Secretary.

STATEMENT CONCERNING SENATE S. 227 AND SUGGESTED AMENDMENTS (APPENDIX TO REPORT ON SENATE S. 227)

Because of limitations imposed by tribal constitutions, charters, and Federal statutes, many Indian tribes are unable to meet the statutory and administrative security requirements of Farmers Home Administration loan programs for which they might otherwise be eligible. These limitations generally relate to an Indian tribe's immunity from suit and its lack of authority to contract and to mortgage its real estate.

Tribes or tribal corporations usually do not have funds immediately available for real estate purchases nor can they obtain such funds from private sources. Funds from other Federal sources for the purchase of lands within the Indian reservations are usually inadequate. The bill does not provide that any additional funds be made available specifically for Indian tribes or tribal corporations, but merely provides that loans may be made out of the Farmers Home Administration direct loan account.

We recommend the following clarifying amendments to S. 227:

1. On page 2, lines 2, 3 and 4, strike the words "will be subject to the interest rate provisions of section 307(a) of said Act as now or hereafter amended, and." We propose that the interest rate provisions be moved to a new section of this bill as will appear later.

2. On page 3, line 1, insert commas around the phrase "free of such trust or restrictions." This will make it clear that while the foreclosure or voluntary conveyance in lieu of foreclosure is to be accomplished under State law, the property will pass free of trust or restriction by virtue of the enactment of this bill.

3. On page 3, strike the entire section 5 and insert in lieu thereof: "Sec. 5. Loans made pursuant to this Act will be subject to the interest rate provisions of section 307(a) of the Consolidated Farmers Home Administration Act of 1961, as amended, and to the provisions of Subtitle D of that Act except sections 340, 341, 342 and 343 thereof: *Provided*, That section 334 thereof shall not be construed to subject to taxation any lands or interests therein while they are held by an Indian tribe or tribal corporation or by the United States in trust for such tribe or tribal corporation pursuant to this Act." The purposes of this proposed amendment are:

(a) To make it clear that the interest rate is fixed by the Consolidated Farmers Home Administration Act of 1961 rather than by the Indian Reorganization Act.

(b) To make certain provisions of subtitle D of the Consolidated Farmers Home Administration Act of 1961 applicable to the administration of the loan program to be established under S. 227.

(c) To eliminate duplication of the "rules and delegations" authority already contained in section 339 of subtitle D of the Consolidated Farmers Home Administration Act of 1961, which the proposed substitute section 5 above would make applicable to loans under S. 227.

(d) To insure that the section 334 of the Consolidated Farmers Home Administration Act of 1961, which would be made applicable by the proposed substitute section 5, will not affect, in anyway, the tax status of lands or interest therein while they are held by tribes or tribal corporations pursuant to S. 227. Section 334 of the Consolidated Farmers Home Administration Act of 1961 provides, in part, that "All property subject to a lien held by the United States * * * shall be subject to taxation by State, territory, district, and local political subdivisions in the same manner and to the same extent as other property is taxed."

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., July 22, 1969.

HON. HENRY M. JACKSON,
Chairman, Committee on Interior and Insular Affairs,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request for the views of this Department on S. 227, a bill to provide for loans to Indian tribes and tribal corporations, and for other purposes.

We support the enactment of this if it is amended as discussed in this report.

S. 227 authorizes the Secretary of Agriculture, through the Farmers Home Administration, to make loans to any Indian tribe or tribal corporation for the purpose of acquiring lands within the reservation. In order to obtain a loan, a tribe is authorized to mortgage its property as security (if authorized by its constitution or by tribal referendum and approved by the Secretary of the Interior), to waive its immunity from suit, and to comply with rules and regulations of the Secretary of Agriculture.

We recommend that the bill be amended by inserting on page 2, line 23, after the word "shall" the words "not be subject to the provisions of section 334 of the Consolidated Farmers Home Act of 1961, as amended (7 U.S.C. 1984), but shall". As the bill is now written, it is possible that section 334 of the Consolidated Farmers Home Act of 1961 could be construed as applying to the land mortgaged pursuant to this act, making it eligible for State and local taxing. The amendment makes it clear that section 334 does not apply.

We believe that the bill will provide an added source of credit for Indians and will assist Indian tribes and corporations to utilize their resources for badly needed economic development. However, this bill should not be regarded as a substitute for an adequate Indian financing bill, since it will provide only a very small part of the need the Indians have for credit and financial sources for economic development.

The Bureau of the Budget has advised that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely yours,

RUSSELL E. TRAIN,
Under Secretary of the Interior.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D.C., July 22, 1969.

Hon. HENRY M. JACKSON,
*Chairman, Committee on Interior and Insular Affairs, U.S. Senate,
New Senate Office Building, Washington, D.C.*

DEAR MR. CHAIRMAN: This is in response to your request for a report on S. 227, a bill to provide for loans to Indian tribes and tribal corporations, and for other purposes.

The Bureau of the Budget concurs in the amendments to the bill proposed in the reports of the Departments of Agriculture and the Interior.

In addition, we are not aware of convincing management reasons why new property purchased by the tribes under the provisions of the Consolidated Farmers Home Act of 1961 should be in trust rather than fee status.

Aside from the management aspect, the other aspect is the tax exemption feature, and we believe the committee should consider whether there is a real need to provide tax exemptions in this case. It appears to us that the ability to purchase, manage, and mortgage property, which is assumed in this legislation, strongly suggests the existence of an ability to meet the other obligations of property ownership usually associated with fee title. We understand that the Treasury Department is prepared to submit comments to the committee on this point.

Subject to the foregoing comments, the Bureau of the Budget would have no objection to the enactment of this legislation.

Sincerely yours,

WILFRED H. ROMMEL,
Assistant Director for Legislative Reference.

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DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C. 20250
OFFICIAL BUSINESS

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

Issued Sept. 15, 1969
For actions of Sept. 12, 1969
91st-1st No. 146

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HIGHLIGHTS: Conferees agreed to file report on disaster relief bill.

SENATE

1. INDIAN LANDS. Passed as reported S. 227, to provide for loans to Indian tribes and tribal corporations (pp. S10435-6). Sen. Mansfield inserted an excerpt from the committee report which states the bill would "authorize the Secretary of Agriculture, through the Farmers Home Administration, to make loans to any Indian tribe or tribal corporation for the purpose of acquiring lands within the tribe's reservation " (p. S10436).
2. GOLDEN EAGLE. Agreed to a motion by Sen. Harris to reconsider the vote by which S. 2315, to restore the golden eagle program to the Land and Water Conservation Fund Act, was passed. p. S10438
3. HEALTH. Received from the President the report on the Special Project Grants for the Health of School and Preschool Children. p. S10435
4. CIGARETTES. Sens. Ervin and Moss inserted the New York Times editorial statement "to insure that a health warning accompanies any cigarette advertisements" which will appear in the Times. pp. S10439-41, S10463

5. BUDGET. Received from the President a communication informing the Senate of the adjustment of the statutory limitation (limitation on fiscal year 1970 budget outlays) by increasing it to a new total of \$193,352,000,000 under title IV of the Second Supplemental Appropriations Act, 1969. p. S10442
6. POTOMAC RIVER. Received from the District Government a proposed bill to authorize the D. C. Commissioner to enter into contracts for the payment of the reservoirs on the Potomac River and its tributaries; to the District of Columbia Committee. p. S10442
7. AID LOANS. Received from GAO a report on the Agency for International Development Loan Program financial activities status as of June 30, 1968.
8. FARM LABOR. Sen. Mondale submitted an amendment to an Economic Opportunity Act extension bill that would increase the appropriation authorization for title III-B programs for migrant and seasonal farmworkers to \$54 million for each of the next 3 years. p. S10451
9. PESTICIDES. Sen. Nelson stated that "a spokesman for the Agricultural Research Service has admitted to me that the Department's program for improved means of nonchemical pest control is presently underfunded by at least \$4 million." pp. S10454-5
10. ETHICS. Sen. Church spoke in support of legislation to require all high officials of the Federal Government to make a periodic disclosure of their income and assets. pp. S10456-7
11. SELECTIVE SERVICE. Sen. Moss inserted an editorial, "Urgent Need for Draft Reform." p. S10469
12. TRADE. Sen. Percy inserted a letter which "makes the strong argument that the free market mechanism has the answer to most economic problems, if we let it operate."
13. HORSES. Sen. Tydings inserted a letter from a 14-year old girl who states that "soring" the Tennessee walking horse is a cruel practice. pp. S10477-8
14. FEDERAL-STATE RELATIONS. Sen. Baker inserted the speech by the Assistant Secretary of the Treasury for Economic Policy before the National Conference of State Legislative Leaders in St. Louis on "Toward a New Fiscal Federalism." pp. S10479-81
15. WILDLIFE. Sen. Yarborough inserted an article pointing out the need for legislation to protect endangered species throughout the world. pp. S10478-9
16. ADJOURNED until Mon., Sept. 15. p. S10538



United States
of America

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Division of Legislative Reporting
Office of Budget and Finance

Congressional Record

PROCEEDINGS AND DEBATES OF THE 91st CONGRESS, FIRST SESSION

Vol. 115

WASHINGTON, FRIDAY, SEPTEMBER 12, 1969

No. 146

House of Representatives

The House was not in session today. Its next meeting will be held on Monday, September 15, 1969, at 12 o'clock noon.

Senate

FRIDAY, SEPTEMBER 12, 1969

The Senate met at 10 o'clock a.m. and was called to order by the President pro tempore.

The Reverend George R. Davis, D.D., minister, the National City Christian Church, Washington, D.C., offered the following prayer:

Eternal Father, strong to save, we would not cross over the threshold of any human experience, without the recognition of Your existence, power, and presence. You are invisible but real, quiet but powerful, humble but in command of the universe and of history. In our prayers especially now we would remember those who labor in these historic Chambers for the welfare of our Nation, and the world. Grant them strength for their labors, inspiration for their souls, comfort in times of stress, and freedom from a sense of futility. We still believe with all our hearts in the glorious origin, purposes, and dreams of this Nation. Grant us not to falter, and not to fail, as we press onward toward a shining goal, in the name of Him who is the Wonderful Counselor, the Mighty God, the Everlasting Father, the Prince of Peace. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, September 10, 1969, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Leonard, one of his secretaries.

REPORT ON SPECIAL PROJECT GRANTS FOR THE HEALTH OF SCHOOL AND PRESCHOOL CHILDREN—MESSAGE FROM THE PRESIDENT

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Finance:

To the Congress of the United States:

I transmit herewith the report on the Special Project Grants for the Health of School and Preschool Children, as provided for in P.L. 89-97, Title II, Sec. 206. This report concerns Sec. 532 of the Social Security Act (subsequently redesignated as Sec. 509) which authorizes a program of project grants to assist communities in providing comprehensive care for children living in areas with concentrations of low income families.

RICHARD NIXON.

THE WHITE HOUSE, September 12, 1969.

EXECUTIVE MESSAGES REFERRED

As in executive session, the President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE—ENROLLED JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the Speaker had affixed his signature to the

enrolled joint resolution (H.J. Res. 614) authorizing the President to proclaim the week of September 28, 1969, through October 4, 1969, as "National Adult-Youth Communications Week," and it was signed by the President pro tempore.

TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, at the conclusion of the consideration of the nominations on the Executive Calendar, there be a period for the transaction of routine morning business, with statements therein limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PROVISION FOR LOANS TO INDIAN TRIBES AND TRIBAL CORPORATIONS AND FOR OTHER PURPOSES

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 387, S. 227.

The PRESIDENT pro tempore. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 227) to provide for loans to Indian tribes and tribal corporations, and for other purposes.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with amendments, on page 2, line 2, after the word "loans", strike out "will be subject to the interest rate provisions of section 307(a) of said Act as now or hereafter amended, and"; and on page 3, after line 2, strike out:

SEC. 5. The Secretary of Agriculture is authorized to make such rules and regulations, prescribe the terms and conditions for making loans and for taking security instruments and agreements, and to make such delegations of authority as he deems necessary to carry out this Act.

And, in lieu thereof, insert:

SEC. 5. Loans made pursuant to this Act will be subject to the interest rate provisions of section 307(a) of the Consolidated Farmers Home Administration Act of 1961, as amended, and to the provisions of subtitle D of that Act except sections 340, 341, 342, and 343 thereof: *Provided*, That section 334 thereof shall not be construed to subject to taxation any lands or interests therein while they are held by an Indian tribe or tribal corporation or by the United States in trust for such tribe or tribal corporation pursuant to this Act.

So as to make the bill read:

S. 227

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Agriculture is authorized to make loans from the Farmers Home Administration Direct Loan Account created by section 338(c) of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1988(c)), to any Indian tribe recognized by the Secretary of the Interior or tribal corporation established pursuant to the Indian Reorganization Act (25 U.S.C. 477), which does not have adequate uncommitted funds, to acquire lands or interests therein within the tribe's reservation as determined by the Secretary of the Interior for use of the tribe or its members. Such loans shall be limited to such Indian tribes or tribal corporations as have reasonable prospects of success in their proposed operations and as are unable to obtain sufficient credit elsewhere at reasonable rates and terms to finance the purposes authorized in this Act.

SEC. 2. Title to land acquired by a tribe or tribal corporation with a loan made pursuant to this Act may, with the approval of the Secretary of the Interior, be taken by the United States in trust for the tribe or tribal corporation.

SEC. 3. A tribe or tribal corporation to which a loan is made pursuant to this Act (1) may waive in writing any immunity from suit or liability which it may possess, (2) may mortgage or otherwise hypothecate trust or restricted property if (a) authorized by its constitution or charter or by a tribal referendum, and (b) approved by the Secretary of the Interior, and (3) shall comply with rules and regulations prescribed by the Secretary of Agriculture in connection with such loans.

SEC. 4. Trust or restricted tribal or tribal corporation property mortgaged pursuant to this Act shall be subject to foreclosure and sale or conveyance in lieu of foreclosure, free of such trust or restrictions, in accordance with the laws of the State in which the property is located.

SEC. 5. Loans made pursuant to this Act will be subject to the interest rate provisions of section 307(a) of the Consolidated Farmers

Home Administration Act of 1961, as amended, and to the provisions of subtitle D of that Act except sections 340, 341, 342, and 343 thereof: *Provided*, That section 334 thereof shall not be construed to subject to taxation any lands or interests therein while they are held by an Indian tribe or tribal corporation or by the United States in trust for such tribe or tribal corporation pursuant to this Act.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91-393), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of S. 227 is to authorize the Secretary of Agriculture, through the Farmers Home Administration, to make loans to any Indian tribe or tribal corporation for the purpose of acquiring lands within the tribe's reservation.

NEED

The provisions of the bill will be of assistance to tribes and to individual Indians in three main ways. First, it will provide authority for the Farmers Home Administration to make loans to tribes to enable them to purchase some lands which are in multiple ownership status, and thus to help solve the Indian heirship land problem. There are now over 11 million acres of trust or restricted land in individual ownership. It is estimated that between 60 and 70 percent of this land is owned by more than one person as tenants in common. Although the availability of loans is not the complete answer to the Indian heirship land problem, loans will be of assistance in some instances.

Second, individually owned trust or restricted land is passing out of Indian ownership at a rapid rate. Tribes are becoming increasingly concerned with the erosion of the Indian land base. Loans will enable tribes that are without funds to purchase such lands when offered for sale.

Third, tribes sometimes need to purchase non-Indian owned land and block it out for Indian use. The availability of loans will enable them to do so.

The scope of the need of financing for land purchases is indicated by the fact that as of June 1, 1969, tribes had indicated that they need nearly \$121 million for tribal land purchases. Tribes are using their own funds to the extent available for this purpose, but in most instances they do have adequate available funds. The revolving fund of the Bureau of Indian Affairs from which loans for tribal land purchases may be made is presently overcommitted. Loans from banks or other customary lenders are generally unavailable because of the inability of most tribes to mortgage or otherwise encumber tribally owned land as security. Even the land purchased with a loan cannot be given as security if title thereto is taken in the name of the United States in trust for the tribe, in most instances. The inability of tribes to sue or to be sued also is a deterrent. The proposed bill will eliminate these constraints insofar as loans by the Farmers Home Administration are concerned.

The committee believes the enactment of S. 227 will provide Indian tribes with an added source of credit, and help them to meet some of their present needs for land financing.

AMENDMENTS

The Departments of the Interior and Agriculture have suggested several clarifying amendments which have been incorporated into the bill.

The Department of Agriculture states in its report that—

With a loan program in the neighborhood of \$25 million for purposes contained in this bill, it is estimated that an additional expenditure of \$250,000 annually will be required for Farmers Home Administration salaries and administrative expenses.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the committee amendments be considered en bloc.

The PRESIDENT pro tempore. Without objection, the amendments are considered and agreed to en bloc.

The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

UNITED STATES MADE ERROR IN SIDING WITH FRANCE IN VIETNAM

Mr. SYMINGTON. Mr. President, one of the more thoughtful summaries of this Vietnam involvement is contained in a signed editorial by John S. Knight of the Knight newspapers in his Editor's Notebook of September 7. It is entitled "United States Made Error in Siding With France in Vietnam," and I believe it would be of interest to other Members of the Senate. Therefore, I ask unanimous consent that this editorial be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

UNITED STATES MADE ERROR IN SIDING WITH FRANCE IN VIETNAM

The death of Ho Chi Minh, 79-year-old president of North Vietnam, marks a milestone in the history of the Indochina peninsula which once comprised all of Vietnam, Laos and Cambodia.

It was Ho's dream of a united Vietnam which inspired his followers to crush French colonialism at Dienbienphu in 1954. It was Ho's bitterness, following United States support of the hated French after World War II, that led him to persist in the struggle for total unification.

Let there be any misunderstanding Ho Chi Minh was a dedicated communist trained in Moscow. But he was likewise a confirmed nationalist who roused his people with the cry for independence of his homeland.

In his youth, this ruthless, intelligent and resourceful man was impressed by President Woodrow Wilson's 14 Points as enunciated at Versailles. He sought unsuccessfully to petition the Versailles conference for similar guarantees of these freedoms in Vietnam.

When spurned, Ho turned to communism as the only effective way to gain his objectives.

Ho Chi Minh's further frustration came in 1946 when the French reneged on an agreement to permit the Democratic Republic of Vietnam to become part of the French Union as a free state within the Indochina federation.

Ho had been recognized by the French as chief of state and was promised a plebiscite in the south on the question of a unified Vietnam under his leadership.

France's repudiation of this agreement brought on a seven-year war with Ho's guerillas controlling the jungles and villages as the French held the cities.

Ho Chi Minh's forces, under the leadership of Gen. Giap, finally brought down the

91ST CONGRESS
1ST SESSION

S. 227

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 15, 1969

Referred to the Committee on Interior and Insular Affairs

AN ACT

To provide for loans to Indian tribes and tribal corporations,
and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the Secretary of Agriculture is authorized to make loans
4 from the Farmers Home Administration Direct Loan Ac-
5 count created by section 338 (c) of the Consolidated Farmers
6 Home Administration Act of 1961, as amended (7 U.S.C.
7 1988 (c)), to any Indian tribe recognized by the Secretary of
8 the Interior or tribal corporation established pursuant to the
9 Indian Reorganization Act (25 U.S.C. 477), which does
10 not have adequate uncommitted funds, to acquire lands or
11 interests therein within the tribe's reservation as determined

1 by the Secretary of the Interior for use of the tribe or its
2 members. Such loans shall be limited to such Indian tribes or
3 tribal corporations as have reasonable prospects of success in
4 their proposed operations and as are unable to obtain suffi-
5 cient credit elsewhere at reasonable rates and terms to finance
6 the purposes authorized in this Act.

7 SEC. 2. Title to land acquired by a tribe or tribal corpo-
8 ration with a loan made pursuant to this Act may, with the
9 approval of the Secretary of the Interior, be taken by the
10 United States in trust for the tribe or tribal corporation.

11 SEC. 3. A tribe or tribal corporation to which a loan is
12 made pursuant to this Act (1) may waive in writing any
13 immunity from suit or liability which it may possess, (2)
14 may mortgage or otherwise hypothecate trust or restricted
15 property if (a) authorized by its constitution or charter or
16 by a tribal referendum, and (b) approved by the Secre-
17 tary of the Interior, and (3) shall comply with rules and
18 regulations prescribed by the Secretary of Agriculture in
19 connection with such loans.

20 SEC. 4. Trust or restricted tribal or tribal corporation
21 property mortgaged pursuant to this Act shall be subject to
22 foreclosure and sale or conveyance in lieu of foreclosure,
23 free of such trust or restrictions, in accordance with the laws
24 of the State in which the property is located.

25 SEC. 5. Loans made pursuant to this Act will be subject

1 to the interest rate provisions of section 307 (a) of the Con-
2 solidated Farmers Home Administration Act of 1961, as
3 amended, and to the provisions of subtitle D of that Act
4 except sections 340, 341, 342, and 343 thereof: *Provided,*
5 That section 334 thereof shall not be construed to subject
6 to taxation any lands or interests therein while they are held
7 by an Indian tribe or tribal corporation or by the United
8 States in trust for such tribe or tribal corporation pursuant
9 to this Act.

Passed the Senate September 12, 1969.

Attest:

FRANCIS R. VALEO,

Secretary.

AN ACT

To provide for loans to Indian tribes and tribal corporations, and for other purposes.

SEPTEMBER 15, 1969

Referred to the Committee on Interior and Insular
Affairs

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

For actions of Feb. 3, 1970
91st-2nd; No. 13

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Airports.....12	Lands.....2	Poultry.....24
Appropriations.....11	Loans.....5	Property.....29
Budget.....7,20	Marketing orders.....1	Public works.....13
Economic report.....8	Orange juice.....21	Recreation.....2
Environment.....14,25,28	Peace Corps.....10	Research center.....29
Farm labor.....16	Personnel.....4,17,23	School lunch.....21
Forests.....9,22	Pesticides.....26	Taxation.....27
Grazing fees.....15	Population.....3	Timber yield.....9
Hunger.....18,19	Pollution....7,14,25,27,28	Weather.....6
Indians.....5	Potatoes.....1	

HIGHLIGHTS; House Rules Committee cleared bills to exempt potatoes for processing from marketing orders, and to authorize production research under marketing orders. Rep. Sullivan opposed proposed change in poultry inspection regulations dealing with diseased chickens. Rep. Burke, Fla., favored use of frozen orange juice in school lunch program.

HOUSE

1. POTATOES; MARKETING AGREEMENTS. The Rules Committee reported resolutions for the consideration of S. 2214, to exempt potatoes for processing from marketing orders; and H. R. 14810, to authorize production research under marketing agreement and order programs. p. H616
2. RECREATION; LANDS. The Rules Committee reported a resolution for the consideration of H. R. 3786, to authorize the appropriation of additional funds for the acquisition of land at Point Reyes National Seashore. p. H616

3. POPULATION; COMMISSION. The Rules Committee reported a resolution for the consideration of H.R. 15165, to establish a Commission on Population Growth and the American Future. p. H616
4. PERSONNEL. The Post Office and Civil Service Committee reported with amendments H. R. 13008, to improve position classification systems within the executive branch (H. Rept. 91-823). p. H616
5. LOANS; INDIANS. The Interior and Insular Affairs Subcommittee approved for full committee action S. 227 amended, to provide for loans to Indian tribes and Indian Corporations. p. D60
6. WEATHER. Rep. Fascell announced that the President has proclaimed February as U.S. Weather Service Month. p. H611
7. POLLUTION; BUDGET. Rep. Gibbons inserted an article, "Nixon In Reversal, To Use Full \$800 Million Voted By Congress For Sewage-Plant Aid." p. H612
8. ECONOMIC REPORT. Rep. Patman criticized the economic report. pp. H612-3
9. FORESTS; TIMBER YIELD. Rep. Saylor inserted a telegram from conservationists opposing H. R. 12025, the proposed National Timber Supply bill. pp. H614-5
10. PEACE CORPS. Received from the Acting Director of the Peace Corps a draft of proposed legislation to amend further the Peace Corps Act (75 Stat. 612), as amended; to Foreign Affairs Committee.

SENATE

11. APPROPRIATIONS. Passed without amendment H. J. Res. 1072, continuing appropriations for Labor-HEW and related agencies for 1970. This bill will now be sent to the President. p. S1049
12. AIRPORTS. The Finance Committee ordered reported (but did not actually report) H. R. 14465, to provide for Federal assistance for the expansion and improvement of the Nation's airports and airways system. p. D58
13. PUBLIC WORKS. Sen. Ellender inserted a list of public works funds held in budgetary reserve. pp. S1049-53
14. POLLUTION; ENVIRONMENT. Sen. Magnuson inserted the anti-pollution resolution of the Wash. State Senate urging Congress to continue to foster methods of combating this serious national problem. pp. S1048-9
Sen. Jackson commented on the nominations to the Council on Environmental Quality and gave notice of hearing on the nominations. p. S1062
Sen. Moss inserted an article, "A National Need: An Environmental Ethic." pp. S1073-6
15. GRAZING FEES. Sen. Anderson expressed his disappointment with the decision not to increase grazing fees in 1970. pp. S1071-2

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

For actions of Feb. 25, 1970
91st-2nd; No. 26

CONTENTS

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Air pollution.....20	Forests.....4,8,15,19	SCS.....17
Appropriations.....4	Inflation.....7,13	Small business.....30
Budget.....6,16	Interest rates.....18	Solid waste.....29
Census.....5	Loans.....3	Timber supply.....8,15
Consumers.....28	Personnel.....22	Transportation.....10
Daylight time.....21	Pollution.....14,17	User charges.....10
Economics.....24	Population.....26	Vehicles.....20
Environment.....14,17	Reclamation.....3	Watersheds.....25
Farm labor.....2,11	Recreation.....19	Wilderness.....27

HIGHLIGHTS: Sen. Ellender discussed relation between farm prices, farm income, and retail food prices. Rep. Michel inserted list of funds spent and estimated for research and development. Rep. Hammerschmidt urged expanded SCS role in pollution control programs.

HOUSE

1. AGRICULTURAL APPROPRIATIONS. Rep. Mark Andrews, N. Dak., has been assigned to the Subcommittee on Agricultural Appropriations to replace Rep. Edwards, Ala., who has transferred to another subcommittee.
2. FARM LABOR. Received conference report on H. R. 14733, to extend the program of assistance for health services for domestic migrant agricultural workers H. Rept. No. 91-853). pp. H1258-9

3. ~~LOANS; RECLAMATION; RIVER BASIN.~~ The Interior and Insular Affairs Committee voted to report (but did not actually report) S. 227, amended, to provide loans to Indian tribes and Indian corporations; ~~H. R. 15689, without amendment, to increase the authorization for appropriations for continuing work in the Missouri River Basin by the Secretary of the Interior; S. 2062, amended, to provide for the differentiation between private and public ownership of lands in the administration of the acreage limitation provisions of Federal reclamation law; and S. 743, amended, to authorize the Secretary of the Interior to construct, operate, and maintain the Touchet division, Walla Walla project, Oreg.-Wash. p. D141~~
4. ~~APPROPRIATIONS.~~ Received from the Bureau of the Budget a report that the appropriation to the Department of Agriculture for "Forest protection and utilization," Forest Service, for the fiscal year 1970, has been reapportioned on a basis which indicates the necessity for a supplemental estimate of appropriation, pursuant to the provisions of section 3679 of the Revised Statutes, as amended (31 U.S.C.665); to Appropriations Committee. p. H1307
5. ~~CENSUS.~~ The Post Office and Civil Service Committee issued a report on 1970 census logistics (H. Rept. No. 91-852). p. H1307
6. ~~BUDGET; RESEARCH.~~ Rep. Michel stated that in looking for places in the budget to economize the "enormous" amounts spent for research and development should not be overlooked, and inserted a list of such projects. pp. H1284-1306
Rep. Gibbons suggested that "The deficit which exists today measured by the traditional liquidity balance is the highest that we have had in this Nation's history." p. H1252
7. ~~INFLATION.~~ Rep. Ford said that the President is making a constructive effort to solve the "inherited" problem of inflation. p. H1255
8. ~~FORESTS; TIMBER SUPPLY.~~ Rep. Dingell inserted articles opposing the proposed high timber yield bill. pp. H1256-7
9. ~~FOREIGN TRADE.~~ Several Representatives discussed trade and tariff agreements and the effects of imports on the textile and other industries of the U. S. pp. H1269-74

SENATE

10. ~~USER CHARGES; TRANSPORTATION.~~ Continued debate on H. R. 14465, the proposed airport and airways development bill. pp. S2332-81
11. ~~FARM LABOR.~~ Agreed to the conference report on H. R. 14733, to extend health service benefits to certain migrant agricultural workers. pp. S2383-4
12. ~~FARM PROGRAM.~~ Sen. Ellender, speaking on the importance of farm programs to the economy, noted that farmers "produce such an abundance of high quality foods, priced so moderately, that only 5% of the American consumer's after-tax income goes to farmers for the domestically produced food they eat." pp. S2330-1

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

For actions of March 4, 1970
91st-2nd; No. 32

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Air pollution.....14,34	Farm labor.....13	Oyster industry.....14
Alaska claims.....17	Farm program.....11	Personnel.....15
Animal quarantine.....1	Flood control.....24	Pollution.....20
Appropriations.....9	Food protection.....13	Research.....29
Budget.....16	Foreign affairs.....32	Rural development.....12
Clean air.....23	Foreign aid.....3	Safety.....36
Conference.....28	Forests.....6	Scenic rivers.....6
Consumers.....27	Great Plains.....19	Subsidies.....5
Disaster relief.....35	Indian tribes.....2	Sugar.....5
Electrification.....18	Information.....29	Voting record.....22
Environment.....14,34	Insect control.....25	Water resources.....26
Estuaries.....33	Land-grant colleges.....10	Watersheds.....7,31
Expenditures.....8	Libraries.....4	Wildlife.....30
Family planning.....12	Loans.....2	

HIGHLIGHTS: House passed bill to establish international quarantine station. Senate committee voted to report bill to provide land-grant status to Virgin Islands and Guam Universities. House committee reported bill to provide loans to Indian tribes. Sen. Harris supported "coalition" farm bill. Sen. Mansfield inserted his statement on rural-urban "imbalance."

HOUSE

1. ANIMAL QUARANTINE. Passed with amendment S. 2306, to provide for the establishment of an international quarantine station, after substituting the language of H. R. 11832 which had previously been passed by the House. H. R. 11832 was indefinitely postponed due to passage of S. 2306. pp. H1480-6
2. LOANS; INDIAN TRIBES. The Interior and Insular Affairs Committee reported with amendments S. 227, to provide for loans to Indian tribes and tribal corporations (H. Rept. No. 91-864). p. H1529

3. FOREIGN AID. Both Houses received the annual report on the foreign assistance program for the fiscal year 1969 (H. Doc. 91-248); to S. Foreign Relations and H. Foreign Affairs Committees. pp. H1518, S3015
 4. LIBRARIES. Both Houses received from HEW proposed legislation to extend, consolidate, and improve programs under the Library Services and Construction Act; to S. Labor and Public Welfare and H. Education and Labor Committees. pp. H1528, S2941
 5. SUBSIDIES; SUGAR. Both Houses received from GAO a report on procedures to be improved for determining what constitutes a farm, for purposes of subsidy payments under the U. S. sugar program, Agricultural Stabilization and Conservation Service; to Gov't Operations Committees. pp. H1529, S2940
 6. FORESTS; SCENIC RIVERS. Received from this Department a copy of the river plan for the Middle Fork River, Calif., pursuant to the provisions of subsection 3(b) of the Wild and Scenic Rivers Act (82 Stat. 906-918); to Interior and Insular Affairs Committee. p. H1529
 7. WATERSHEDS. Received from the Budget Bureau plans for works of improvement involving more than 4,000 acre-feet of total capacity, pursuant to the provisions of section 5 of the Watershed Protection and Flood Prevention Act, as amended; to Public Works Committee. p. H1529
 8. EXPENDITURES; WELFARE. Rep. Ashbrook suggested that at the same time the President is recommending enactment of a Federal Economy Act "he is urging us to open up the floodgates to a torrential deluge which will inundate the already sinking taxpayer" in order to provide a welfare reform program. pp. H1521-8
- SENATE
9. APPROPRIATIONS. Adopted the conference report on H. R. 15931, HEW-Labor Appropriations, by unanimous vote. The bill will now be sent to the President. pp. S2913-31; S2935-2938
 10. LAND-GRANT COLLEGES. The Committee on Agriculture and Forestry voted to report with amendments (but did not actually report), S. 1148, to provide land-grant status for the College of the Virgin Islands and the University of Guam. p. D180
 11. FARM PROGRAM. Sen. Harris reiterated his support for the "Coalition Farm Bill", stating that the administration "consensus" farm bill had no support from the major farm organizations. He listed nine administration actions which "tend to lower farm prices" and have "caused concern" to farmers. pp. S2978-79
 12. RURAL DEVELOPMENT. Sen. Mansfield expressed his support for S. 15, the proposed rural job development bill, and S. 2108, to encourage family planning on a voluntary basis, remarking that both would help to alleviate the rural/urban imbalance. pp. S2909-10

PROVIDING FOR LOANS TO INDIANS TRIBES AND TRIBAL CORPORATIONS, AND FOR OTHER PURPOSES

MARCH 4, 1970.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. HALEY, from the Committee on Interior and Insular Affairs, submitted the following

REPORT

[To accompany S. 227]

The Committee on Interior and Insular Affairs, to whom was referred the bill (S. 227) to provide for loans to Indian tribes and tribal corporations, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill do pass.

The amendments are as follows:

Page 1, line 5, after "section 338(c)" insert ", and to make and insure loans as provided in sections 308 and 309,".

Page 1, line 7, after "1988(c)" insert ", 1928, 1929".

Page 2, line 1, after "Interior" insert ", or within a community in Alaska incorporated by the Secretary pursuant to the Indian Reorganization Act,".

Page 2, lines 1 and 2, strike out "or its members." and insert in lieu thereof "or the corporation or the members of either."

Page 2, line 8, after "made" insert "or insured".

Page 2, line 12, after "made" insert "or insured".

Page 2, line 25, after "made" insert "or insured".

PURPOSE

The purpose of S. 227, and the companion bill H.R. 13732 introduced by Mr. Olsen, is to make it possible for the Farmers Home Administration to make loans to Indian tribes for the purchase of land within their reservations. This purpose is accomplished by removing the obstacles that now prevent such loans.

The principal obstacle to FHA loans is the inability of most tribes to mortgage tribal land as security for a loan. The bill permits any tribe to mortgage its land as security for an FHA loan to buy addi-

tional land within its reservation if the tribe has reasonable prospects of repaying the loan, and if the mortgage is authorized by the tribal constitution or a tribal referendum, and if the mortgage is approved by the Secretary of the Interior. In the event of a default, the mortgage can be foreclosed and the land sold. If the mortgage covers only the land purchased with the loan funds the present tribal land estate will not be diminished by a foreclosure of the loan.

Another obstacle is the possible immunity of the tribe from suit without its consent. The bill permits the tribe to waive this immunity as a part of its loan agreement.

Still another obstacle to FHA loans is a provision of the Farmers Home Administration Act that land mortgaged to secure a loan shall be subject to local taxation. The bill excepts trust lands from this provision and permits the title to land acquired with loan funds to be taken in trust.

NEED

Indian tribes now have inadequate credit resources, particularly loan funds for the purchase of land. The tribes have inadequate funds of their own to use for this purpose, and the revolving loan fund administered by the Bureau of Indian Affairs is overcommitted. Loans from banks and other customary lenders are generally unavailable to tribes for land acquisition purposes. By making tribes eligible for FHA loans, on the same terms that apply to other borrowers, Indian tribes will be helped in three ways:

(1) They can borrow money to purchase trust lands now in multiple ownership by Indians who own undivided fractional interests in the land. This will offer relief for, but not a complete solution to, the so-called Indian heirship land problems.

(2) They can purchase lands owned by individual Indians when the lands are offered for sale and are in danger of passing out of Indian ownership. The tribes are becoming increasingly concerned by the erosion of the Indian land base by sales to non-Indians.

(3) They can purchase non-Indian owned lands that are needed to block-up on Indian use area.

COMMITTEE AMENDMENTS

The principal amendment expands the bill so that in addition to making direct loans from its direct loan account the Farmers Home Administration may insure loans to tribes made by commercial lending institutions. This will serve the double purpose of conserving the Federal loan account, and opening up a broader source of credit. The amendment was endorsed by the Department of Agriculture.

A committee amendment also clarifies an ambiguity in the bill by specifying that the eight Indian Reorganization Act corporations in Alaska are eligible for loans to buy land although they do not have reservations.

COST

Enactment of the bill will involve no additional Federal cost. The bill authorizes no new loan authority, and any loans made or insured by the Farmers Home Administration will be made and serviced under its basic authority.

COMMITTEE RECOMMENDATION

The Committee on Interior and Insular Affairs recommends that the bill, as amended, be enacted.

DEPARTMENTAL REPORTS

The favorable reports of the Department of the Interior and the Department of Agriculture are as follows:

U.S. DEPARTMENT OF THE INTERIOR,

OFFICE OF THE SECRETARY,

Washington, D.C., October 31, 1969.

HON. WAYNE N. ASPINALL,

Chairman, Committee on Interior and Insular Affairs, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request for the views of this Department on H.R. 13732, a bill to provide for loans to Indian Tribes and tribal corporations, and for other purposes, and on S. 227, a similar bill in the form that it passed the Senate.

We recommend the enactment of H.R. 13732, if it is amended as recommended in this report, which will make it identical to S. 227 as it passed the Senate.

Both bills authorize the Secretary of Agriculture, through the Farmers Home Administration, to make loans to any Indian tribe or tribal corporation for the purpose of acquiring lands within the reservation of said tribe or tribal corporation, the title to which may be taken by the United States in trust for the tribe or tribal corporation if the Secretary of the Interior approves. In order to obtain a loan, the bills authorize the tribe or tribal corporation to mortgage its property as security (if authorized by its constitution or by tribal referendum and approved by the Secretary of the Interior), to waive its immunity to suit. Both bills make land mortgaged under the provisions of this legislation subject to foreclosure and sale or conveyance in lieu of foreclosure, free of such trust or restrictions in accordance with the laws of the State in which the property is located.

Both bills make the loans made pursuant to this act subject to the interest rate provisions of section 307(a) of the Consolidated Farmers Home Administration Act of 1961, as amended, but S. 227 incorporates that provision in section 5 along with language to make it clear that certain sections of subtitle D of the Consolidated Farmers Home Administration Act of 1961 do apply to the administration of the loan program established by the legislation. Section 5 of S. 227 also provides that section 334 of the Consolidated Farmers Home Administration Act of 1961 shall not be construed to subject to taxation any lands or interest therein while they are held by an Indian tribe or tribal corporation or by the United States in trust for such tribe or tribal corporation pursuant to this act. Without this language it is possible that section 334 of the Consolidated Farmers Home Administration Act of 1961 could be construed as applying to the land mortgaged pursuant to this act, making it eligible for State and local taxing.

We recommend the following amendments to H.R. 13732 to clarify its provisions and to make it identical to S. 227 as it passed the Senate:

(1) On page 2, lines 2, 3, and 4, delete the words "will be subject to the interest rate provisions of section 307(a) of said act as now or hereafter amended, and".

This provision will appear in a new section 5 that we recommend be added to the bill.

(2) On page 3, lines 3 through 7, delete all of section 5 as it now appears and substitute in lieu thereof a new section 5 as follows:

"SEC. 5. Loans made pursuant to this Act will be subject to the interest rate provisions of section 307(a) of the Consolidated Farmers Home Administration Act of 1961, as amended, and to the provisions of subtitle D of that Act except sections 340, 341, 342, and 343 thereof: *Provided*, That section 334 thereof shall not be construed to subject to taxation any lands or interests therein while they are held by an Indian tribe or tribal corporation or by the United States in trust for such tribe or tribal corporation pursuant to this Act."

The purposes of this proposed amendment are:

(a) To make it clear that the interest is fixed by the Consolidated Farmers Home Administration Act of 1961 rather than by the Indian Reorganization Act.

(b) To make certain provisions of subtitle D of the Consolidated Farmers Home Administration Act of 1961 applicable to the administration of the loan program to be established under the bill.

(c) To eliminate duplication of the "rules and delegations" authority already contained in section 339 of subtitle D of the Consolidated Farmers Home Administration Act of 1961, which the proposed substitute section 5 above would make applicable to loans under the bill.

(d) To insure that the section 334 of the Consolidated Farmers Home Administration Act of 1961, which would be made applicable by the proposed substitute section 5, will not affect, in anyway, the tax status of lands or interest therein while they are held by tribes or tribal corporations pursuant to the bill. Section 334 of the Consolidated Farmers Home Administration Act of 1961 provides, in part, that "All property subject to a lien held by the United States * * * shall be subject to taxation by State, territory, district, and local political subdivisions in the same manner and to the same extent as other property is taxed:"

The Bureau of the Budget has advised that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely yours,

RUSSELL E. TRAIN,
Acting Secretary of the Interior.

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D.C., October 30, 1969.

HON. WAYNE N. ASPINALL,
Chairman, Committee on Interior and Insular Affairs,
House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN: This is in reply to your letter of October 10, 1969, requesting a report on H.R. 13732 and S. 227, bills, to provide for loans to Indian tribes and tribal corporations and for other purposes.

The Department of Agriculture concurs in the objectives of these bills and approves the language of S. 227 as passed by the Senate on September 12, 1969. We recommend that H.R. 13732 be amended to conform with S. 227. The recommended amendments and the reasons therefor are set forth in the appendix to this report.

H.R. 13732 and S. 227 would permit the Farmers Home Administration to make direct loans to any Indian tribe recognized by the Secretary of Interior or tribal corporation established pursuant to the Indian Reorganization Act which does not have adequate uncommitted funds to acquire lands or interest therein within the tribe's reservation for use of the tribe or its members.

Loans will be made out of the Farmers Home Administration direct loan account created by section 338(c) of the Consolidated Farmers Home Administration Act of 1961, as amended. The loan interest rate will be governed by section 307(a) of the same act. Loans are authorized to be made only to tribes or tribal corporations that have reasonable prospects of success in their proposed operations and that cannot obtain credit elsewhere at reasonable rates and terms for the authorized purposes. The bills also provide that title to land or interests therein acquired by a tribe or tribal corporation could be taken by the United States in trust for the tribe or tribal corporation.

To meet Farmers Home Administration security requirements in connection with a loan made pursuant to these bills, a tribe or tribal corporation would be authorized, upon approval of the Secretary of the Interior, to waive its immunity from suit and to mortgage its trust or restricted property if such is authorized by its constitution or charter or by a tribal referendum. The bills also would permit a tribe or tribal corporation to comply with the rules and regulations prescribed by the Secretary of Agriculture.

Both bills direct that property mortgaged pursuant to them will be subject to foreclosure and sale, or conveyance in lieu of foreclosure, free of trust or other restrictions, in accordance with the laws of the State in which the property is located.

The bills authorize the Secretary of Agriculture to prescribe the terms and conditions for making loans and taking security therefor and to make delegations of authority to carry out the act.

With a loan program in the neighborhood of \$25 million for purposes contained in these bills, it is estimated that an additional expenditure of \$250,000 annually will be required for Farmers Home Administration salaries and administrative expenses.

The Bureau of the Budget advises that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely,

J. PHIL CAMPBELL,
Under Secretary.

Enclosure.

STATEMENT CONCERNING H.R. 13732 AND S. 227 AND SUGGESTED
AMENDMENTS

Because of limitations imposed by tribal constitutions, charters, and Federal statutes, many Indian tribes are unable to meet the statutory and administrative security requirements of Farmers Home Administration loan programs for which they might otherwise be eligible. These limitations generally relate to an Indian tribe's immunity from suit and its lack of authority to contract and to mortgage its real estate.

Tribes or tribal corporations usually do not have funds immediately available for real estate purchases nor can they obtain such funds from private sources. Funds from other Federal sources for the purchase of lands within the Indian reservations are usually inadequate. These bills do not provide that any additional funds be made available specifically for Indian tribes or tribal corporations, but merely provide that loans may be made out of the Farmers Home Administration direct loan account.

For clarification purposes and to make it conform with S. 227, we recommend the following amendments to H.R. 13732:

1. On page 2, lines 2, 3, and 4, strike the words "will be subject to the interest rate provisions of section 307(a) of said act as now or hereafter amended, and." We propose that the interest rate provisions be moved to a new section of this bill as will appear later.

2. On page 3, line 1, insert commas around the phrase "free of such trust or restrictions." This will make it clear that while the foreclosure or voluntary conveyance in lieu of foreclosure is to be accomplished under State law, the property will pass free of trust or restriction by virtue of the enactment of this bill.

3. On page 3, strike the entire section 5 and insert in lieu thereof: "Sec. 5. Loans made pursuant to this act will be subject to the interest rate provisions of section 307(a) of the Consolidated Farmers Home Administration Act of 1961, as amended, and to the provisions of Subtitle D of that act except sections 340, 341, 342, and 343 thereof: *Provided*, That section 334 thereof shall not be construed to subject to taxation any lands or interests therein while they are held by an Indian tribe or tribal corporation or by the United States in trust for such tribe or tribal corporation pursuant to this act." The purposes of this proposed amendment are:

(a) To make it clear that the interest rate is fixed by the Consolidated Farmers Home Administration Act of 1961 rather than by the Indian Reorganization Act.

(b) To make certain provisions of Subtitle D of the Consolidated Farmers Home Administration Act of 1961 applicable to the administration of the loan program to be established under H.R. 13732.

(c) To eliminate duplication of the "rules and delegations" authority already contained in section 339 of Subtitle D of the Consolidated Farmers Home Administration Act of 1961, which the proposed substitute section 5 above would make applicable to loans under H.R. 13732.

(d) To insure that the section 334 of the Consolidated Farmers Home Administration Act of 1961, which would be made applicable by the proposed substitute section 5, will not affect, in any way, the tax status of lands or interest therein while they are held by tribes or tribal corporations pursuant H.R. 13732. Section 334 of the Consolidated Farmers Home Administration Act of 1961 provides, in part, that "All property subject to a lien held by the United States . . . shall be subject to taxation by State, territory, district, and local political subdivisions in the same manner and to the same extent as other property is taxed."

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D.C., February 17, 1970.

HON. WAYNE N. ASPINALL,
Chairman, Committee on Interior and Insular Affairs, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to informal telephone inquiry from your committee staff regarding S. 227, a bill to provide for loans to Indian tribes and tribal corporations, and for other purposes.

This Department favors amending the bill to provide access to Farmers Home Administration insured loans through the Agricultural Credit Insurance Fund as well as direct loans from the direct loan account. This could be accomplished by amending the bill as follows:

1. On page 1, line 5, after "section 338(c)" insert ", and to make and insure loans as provided in sections 308 and 309,".
2. On page 1, line 7, after "1988(c)" insert ", 1928, 1929".
3. On page 2, after the word "made" in each place where it occurs in lines 8, 12, and 25, insert "or insured".

Generally, the use of insured loan funds is preferable to using direct loans, because of Government fiscal considerations.

The Bureau of the Budget advises that there is no objection to this report from the standpoint of the Administration's program.

Sincerely,

J. PHIL CAMPBELL,
Under Secretary.

○

THE UNIVERSITY OF CHICAGO

DEPARTMENT OF THE HISTORY OF ARTS

AND ARCHITECTURE

OFFICE OF THE DEAN

1100 EAST 58TH STREET

CHICAGO, ILLINOIS 60637

TEL: 773-936-5000

FAX: 773-936-5001

WWW.CHICAGOEDU.EDU

CHICAGO, ILLINOIS

Union Calendar No. 389

91ST CONGRESS
2^D SESSION

S. 227

[Report No. 91-864]

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 15, 1969

Referred to the Committee on Interior and Insular Affairs

MARCH 4, 1970

Reported with amendments, committed to the Committee of the Whole House
on the State of the Union, and ordered to be printed

[Omit the part struck through and insert the part printed in italic]

AN ACT

To provide for loans to Indian tribes and tribal corporations,
and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the Secretary of Agriculture is authorized to make loans
4 from the Farmers Home Administration Direct Loan Ac-
5 count created by section 338 (c), *and to make and insure*
6 *loans as provided in sections 308 and 309,* of the Consoli-
7 dated Farmers Home Administration Act of 1961, as
8 amended (7 U.S.C. 1988 (c), 1928, 1929), to any Indian
9 tribe recognized by the Secretary of the Interior or tribal
10 corporation established pursuant to the Indian Reorgani-
11 zation Act (25 U.S.C. 477), which does not have ade-

1 quate uncommitted funds, to acquire lands or interests therein
2 within the tribe's reservation as determined by the Secre-
3 tary of the Interior, *or within a community in Alaska incor-*
4 *porated by the Secretary pursuant to the Indian Reorganiza-*
5 *tion Act*, for use of the tribe ~~or its members~~, *or the corporation*
6 *or the members of either*. Such loans shall be limited to such
7 Indian tribes or tribal corporations as have reasonable pros-
8 pects of success in their proposed operations and as are
9 unable to obtain sufficient credit elsewhere at reasonable
10 rates and terms to finance the purposes authorized in this
11 Act.

12 SEC. 2. Title to land acquired by a tribe or tribal corpo-
13 ration with a loan made *or insured* pursuant to this Act
14 may, with the approval of the Secretary of the Interior, be
15 taken by the United States in trust for the tribe or tribal
16 corporation.

17 SEC. 3. A tribe or tribal corporation to which a loan is
18 made *or insured* pursuant to this Act (1) may waive in
19 writing any immunity from suit or liability which it may
20 possess, (2) may mortgage or otherwise hypothecate trust
21 or restricted property if (a) authorized by its constitution
22 or charter or by a tribal referendum, and (b) approved by
23 the Secretary of the Interior, and (3) shall comply with
24 rules and regulations prescribed by the Secretary of Agri-
25 culture in connection with such loans.

1 SEC. 4. Trust or restricted tribal or tribal corporation
2 property mortgaged pursuant to this Act shall be subject to
3 foreclosure and sale or conveyance in lieu of foreclosure,
4 free of such trust or restrictions, in accordance with the laws
5 of the State in which the property is located.

6 SEC. 5. Loans made *or insured* pursuant to this Act
7 will be subject to the interest rate provisions of section
8 307 (a) of the Consolidated Farmers Home Administration
9 Act of 1961, as amended, and to the provisions of subtitle
10 D of that Act except sections 340, 341, 342, and 343
11 thereof: *Provided*, That section 334 thereof shall not be
12 construed to subject to taxation any lands or interests therein
13 while they are held by an Indian tribe or tribal corporation
14 or by the United States in trust for such tribe or tribal
15 corporation pursuant to this Act.

Passed the Senate September 12, 1969.

Attest:

FRANCIS R. VALEO,

Secretary.

91ST CONGRESS
2d Session

S. 227

[Report No. 91-864]

AN ACT

To provide for loans to Indian tribes and tribal corporations, and for other purposes.

SEPTEMBER 15, 1969

Referred to the Committee on Interior and Insular
Affairs

MARCH 4, 1970

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

For actions of March 16, 1940
91st-2nd; No. 40

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HIGHLIGHTS: House passed bill to authorize FHA loans to Indian tribes and corporations. Rep. Findley praised this Department's handling of soybean "crisis." Rep. Schwengel inserted excerpts from Secretary Hardin's Community Conference statements. Rep. May inserted statement emphasizing importance of rural development.

HOUSE

1. LOANS. Passed with amendment S. 227, to provide loans to Indian tribes and tribal corporations. pp. H1775-6
2. PROPERTIES. Passed, 317 to 9, under suspension of the rules H. R. 14896, establishing a program for the preservation of additional historic properties throughout the Nation. pp. H1791-5

3. SALINE WATER. Passed under suspension of the rules H. R. 15700, to authorize appropriations for the saline water conversion program for the fiscal year 1971. pp. H1797-9
4. RECLAMATION. Passed with amendment H. R. 14855, providing for the construction, maintenance, and operation of the Michaud Flats irrigation project. pp. H1777-8
Passed with amendment S. 2062, to provide for the differentiation between private and public land ownership of lands in the administration of the acreage limitation provisions of Federal reclamation law. pp. H1778-9
Passed with amendment S. 743, to authorize the Secretary of the Interior to construct, operate, and maintain the Touchet division, Walla Walla project, Oregon-Wash. pp. H1799-802
5. PESTICIDES; DEFOLIATION. Rep. McCarthy criticized this Department and the Dept. of Defense for the alleged failure to halt the use of 2,4,5-T, and inserted an article, "U. S. Shows Signs of Concern Over Effect in Vietnam of 9-Year Defoliation Program." pp. H1802-4
6. SOYBEANS. Rep. Findley said that Secretary Hardin inherited a "near disaster" in the soybean program and complimented the Secretary for "handling the crisis wisely and smoothly." pp. H1814-5
7. COMMUNITY CONFERENCE. Rep. Schwengel inserted a summary of the Community Officials Conference, including remarks by Secretary Hardin on the development of rural America. pp. H1815-22
8. INFLATION. Rep. O'Hara said that his constituents are "fighting mad" about the high cost of living and inserted his letter to the President asking him to take immediate action to eliminate the import quotas on beef which would "reduce the price of processed beef." pp. H1836-7
Rep. Devine inserted an article, "Congress and the Crucial Matter of Keeping the Budget Balanced." p. H1838

SENATE

9. ENVIRONMENT; POLLUTION. Sen. Allott noted that "it is going to be a lot harder and very much more expensive to clean the earth than it was to reach the moon." p. S3771
10. SCENIC RIVERS. Sen. Allott discussed the national wild and scenic rivers system and inserted a report prepared by the Director of the Bureau of Outdoor Recreation. pp. S3807-9
11. HOUSING; LOANS. Sen. Scott inserted a letter from the President urging Congress to pass H. R. 16330, or similar legislation, to appropriate funds for the Federal Home Loan Bank for the purpose of adjusting the mortgage interest rate for residential construction. p. S3753
Both Houses received a communication from the President urging Congress to enact proposed legislation to provide subsidies for low and moderate income families by reducing interest rates on mortgages. pp. S3753, H1841

has never been done by the Federal government.

The reforms proposed in the Employee Benefits Act can be divided into four major areas:

First, the Federal government would require that persons who control employee benefit funds must deal with those funds exclusively in the interest of the employee beneficiaries. A Federal standard of these obligations would more effectively provide a remedy where conflict of interest or carelessness exists in the management and investment of funds.

While these situations are infrequent, existing State and Federal laws are inadequate to deal with them. Theft, embezzlement, bribery, and kickbacks in connection with employee benefit plans have been made Federal crimes in earlier Congressional action, but conduct that breaches established principles of trusteeship has not been adequately dealt with.

Second, the reporting and disclosure provisions would be broadened and strengthened by requirements which call for additional information. Further and more detailed disclosure as to the financial operations and actuarial basis of employee benefit plans is a necessary complement to the imposition of fund management obligations and responsibilities. It is well established that those in a trustee-type relationship should give a detailed accounting of their stewardship. This type of accounting is similar to requirements presently applicable to mutual investment funds, banks, and insurance companies. However, the present reporting and disclosure provisions for employee benefit plans are more limited. The proposed Act would make available to employees vital information about the plans that are run for their welfare and retirement.

Third, changes would be made to implement the newly imposed management responsibility and the newly strengthened reporting provisions. These include broadened investigatory and enforcement powers for the Secretary of Labor and revisions designed to provide an alternative mode of enforcement of remedies through class actions by participants and beneficiaries.

Fourth, the Act would foster a body of uniform Federal law in employee benefits protection. State laws that otherwise regulate banking, insurance and securities are expressly allowed to remain in effect.

In summary, the Act would provide for a uniform source of law for evaluating the conduct of persons acting on behalf of employee benefit plans and for a single system of reporting and disclosure in lieu of burdensome multiple reports. Under the Act, States could require the filing with a State agency of copies of specified reports and State courts as well as Federal courts would be available to provide remedies. Furthermore, the Act would expressly authorize cooperative arrangements with State agencies as well as other Federal agencies. It would also provide that State laws regulating banking, insurance and securities remain unimpaired. Finally, experience in ad-

ministering the present law has demonstrated that minor technical amendments are needed to resolve certain details of procedure and to otherwise make the law more workable.

The Employee Benefits Protection Act further expands my program to protect the American worker as he works, when he is out of work, and after his working career is over. Once again, I must express my concern that the first three parts of this program—relating to Manpower Training, Unemployment Insurance, and Occupational Safety—have been so long before the Congress without final action. And again I urge the Congress to enact these measures at the earliest possible date and to give urgent priority to this fourth part of the program—the Employee Benefits Protection Act.

America's most valuable asset is its workers. From their skills and from their determination to build a better life for themselves and their children has come a strong and free economy and a nation whose prosperity is unmatched in the history of the world. They deserve our active interest in their welfare.

RICHARD NIXON.

THE WHITE HOUSE, March 13, 1970.

AUTHORITY TO POSTPONE VOTES FROM ST. PATRICK'S DAY UNTIL WEDNESDAY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that in view of the fact tomorrow is St. Patrick's Day any votes on bills and conference reports—and this does not include rules or procedural matters—may go over until Wednesday.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

PROVIDING THE GRADE OF LIEUTENANT GENERAL FOR OFFICER SERVING AS CHIEF, THE NATIONAL GUARD BUREAU

The Clerk called the bill (H.R. 15143) to amend title 10, United States Code, to provide the grade of lieutenant general for an officer serving as the Chief of the National Guard Bureau, and for other purposes.

The SPEAKER. Is their objection to the present consideration of the bill?

Mr. KOCH, Mr. RYAN, and Mr. REES objected; and, under the rule, the bill was stricken from the Consent Calendar.

PROVIDING FOR LOANS TO INDIAN TRIBES AND TRIBAL CORPORATIONS

The Clerk called the bill (S. 227) to provide for loans to Indian tribes and tribal corporations, and for other purposes.

The SPEAKER. Is their objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, I should like to ask a question or two concerning this bill.

What happens when loans are made to Indians and they are unable to pay off the loans? As a condition for obtaining a loan must they waive immunity from prosecution for collection of the loans or foreclosure?

Mr. HALEY. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I will always yield to my friend from Florida.

Mr. HALEY. The loan would be foreclosed. In the ordinary case, the loan would merely cover the land that has been purchased. However, the original loan would not take trust lands away from the Indians. This gives them the right to obtain a loan for the purchase of other properties. Of course, if the loan is not paid, they could foreclose on the land covered by the loan.

Mr. GROSS. This would not take trust land or land within the reservation owned by an Indian who borrowed money from the Farmers' Home Administration, and for reasons beyond his control or for reasons within his control, he could not pay the loan?

Mr. HALEY. Mr. Speaker, if the gentleman will yield further, if I may explain to the gentleman, this is land that may be bought with the money obtained with the loan in order to try to increase the economic benefits of the tribe. But, no trust land that is in a reservation would ordinarily be affected. It would merely be a loan to acquire an industrial site, you might say.

Mr. GROSS. I thank the gentleman for his explanation.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

S. 227

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Agriculture is authorized to make loans from the Farmers Home Administration Direct Loan Account created by section 338(c), of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1988(c)), to any Indian tribe recognized by the Secretary of the Interior or tribal corporation established pursuant to the Indian Reorganization Act (25 U.S.C. 477), which does not have adequate uncommitted funds, to acquire lands or interests therein within the tribe's reservation as determined by the Secretary of the Interior for use of the tribe or its members. Such loans shall be limited to such Indian tribes or tribal corporations as have reasonable prospects of success in their proposed operations and as are unable to obtain sufficient credit elsewhere at reasonable rates and terms to finance the purposes authorized in this Act.

SEC. 2. Title to land acquired by a tribe or tribal corporation with a loan made pursuant to this Act may, with the approval of the Secretary of the Interior, be taken by the United States in trust for the tribe or tribal corporation.

SEC. 3. A tribe or tribal corporation to which a loan is made pursuant to this Act (1) may waive in writing any immunity from suit or liability which it may possess,

(2) may mortgage or otherwise hypothecate trust or restricted property if (a) authorized by its constitution or charter or by a tribal referendum, and (b) approved by the Secretary of the Interior, and (3) shall comply with rules and regulations prescribed by the Secretary of Agriculture in connection with such loans.

SEC. 4. Trust or restricted tribal or tribal corporation property mortgaged pursuant to this Act shall be subject to foreclosure and sale or conveyance in lieu of foreclosure, free of such trust or restrictions, in accordance with the laws of the State in which the property is located.

SEC. 5. Loans made pursuant to this Act will be subject to the interest rate provisions of section 307(a) of the Consolidated Farmers Home Administration Act of 1961, as amended, and to the provisions of subtitle D of that Act except sections 340, 341, 342, and 343 thereof: *Provided*, That section 334 thereof shall not be construed to subject to taxation any lands or interests therein while they are held by an Indian tribe or tribal corporation or by the United States in trust for such tribe or tribal corporation pursuant to this Act.

With the following committee amendments:

Page 1, line 5, after "section 338(c)" insert ", and to make and insure loans as provided in sections 308 and 309."

Page 1, line 7, after "1988(c)" insert ", 1928, 1929".

Page 2, line 1, after "Interior" insert ", or within a community in Alaska incorporated by the Secretary pursuant to the Indian Reorganization Act."

Page 2, lines 1 and 2, strike out "or its members." and insert in lieu thereof "or the corporation or the members of either."

Page 2, line 8, after "made" insert "or insured".

Page 2, line 12, after "made" insert "or insured".

Page 2, line 25, after "made" insert "or insured".

The committee amendments were agreed to.

(Mr. HALEY asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. HALEY. Mr. Speaker, the purpose of S. 227, and the companion bill H.R. 13732 introduced by the gentleman from Montana (Mr. OLSEN) is to make it possible for the Farmers Home Administration to make loans to Indian tribes for the purchase of land within their reservations. This purpose is accomplished by removing the obstacles that now prevent such loans.

The principal obstacle to FHA loans is the inability of most tribes to mortgage tribal land as security for a loan. The bill permits any tribe to mortgage its land as security for an FHA loan to buy additional land within its reservation if the tribe has reasonable prospects of repaying the loan, and if the mortgage is authorized by the tribal constitution or a tribal referendum, and if the mortgage is approved by the Secretary of the Interior. In the even of a default, the mortgage can be foreclosed and the land sold. If the mortgage covers only the land purchased with the loan funds the present tribal land estate will not be diminished by a foreclosure of the loan.

Another obstacle is the possible immunity of the tribe from suit without its consent. The bill permits the tribe to waive this immunity as a part of its loan agreement.

Still another obstacle to FHA loans is a provision of the Farmers Home Administration Act that land mortgaged to secure a loan shall be subject to local taxation. The bill excepts trust lands from this provision and permits the title to land acquired with loan funds to be taken in trust.

Indian tribes now have inadequate credit resources, particularly loan funds for the purchase of land. By making tribes eligible for FHA loans, on the same terms that apply to other borrowers, Indian tribes will be helped.

Mr. OLSEN. Mr. Speaker, I introduced H.R. 1372, the companion bill to S. 227, at the request of the Confederated Salish and Kootenai Tribes of the Flathead Reservation, Mont., although it is legislation which will benefit all Indian tribes throughout the United States, and as you know, I have a deep concern in legislation affecting Indians generally, as well as that affecting those who are my constituents.

This bill as amended will authorize the Secretary of Agriculture through the Farmers Home Administration to make loans to any Indian tribe or tribal corporation for the purpose of acquiring land within the tribe's reservation and to insure loans to tribes made by commercial lending institutions. It is well known that one of the most serious problems facing many Indian tribes today is the lack of capital funds which precludes tribes from many economic activities, including land acquisition. Continuing efforts are being made to upgrade the economic conditions of American Indians, and some of these efforts have been quite successful. However, for the Indians who are located in the Midwest and West, as a majority are, industrialization is more often a dream than a reality and in plain economic facts it is through land that one establishes an economic base. The market for good lands has become quite dear, and unless tribes have funds available they will be unable to meet the competition of nonmembers in acquiring the available lands. This bill will help alleviate that situation.

In addition, the bill, by providing authority to the Farmers Home Administration to make loans to tribes, will enable tribes to purchase lands which are in multiple ownership status, and this will help solve the vexing Indian heirship land problem. The bill also will help retain individually owned trust or restricted land in Indian ownership by making available to tribes funds which they can use to purchase land. Finally, of course, the funds will help the Indians purchase land which is necessary to round out various land acquisition programs and make them economically viable.

The bill recognizes that the requirements of the Farmers Home Administration in connection with a loan made pursuant to the bills would require a tribe or tribal corporation, upon approval by the Secretary of the Interior, to waive immunity from suit and to mortgage trust or restricted property if authorized by its constitution or charter or by a tribal referendum. This, of course, means that there is authorization to mortgage the property which is being purchased

by the funds made available under the bill, and this is recognized as an accepted business practice; it is an exception to the general rule of mortgaging tribal property, but there is, of course, the usual safeguard of approval by the Secretary of the Interior.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

DISPOSITION OF ESTATES OF INTESTATE MEMBERS OF THE CHEROKEE, CHICKASAW, CHOCTAW, AND SEMINOLE NATIONS OF OKLAHOMA DYING WITHOUT HEIRS

The Clerk called the bill (H.R. 4145) to provide for disposition of estates of intestate members of the Cherokee, Chickasaw, Choctaw, and Seminole Nations of Oklahoma dying without heirs.

There being no objection, the Clerk read the bill, as follows:

H.R. 4145

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That upon the final determination of a court having jurisdiction or by decision of the Secretary of the Interior after a period of five years from the death of the decedent, it is determined that a member of the Cherokee, Chickasaw, Choctaw, or Seminole Nations or Tribes of Oklahoma or a person of the blood of said tribes has died intestate without heirs, owning trust or restricted Indian lands or an interest therein in Oklahoma, such lands or interests owned, together with all rents and profits occurring therefrom, shall escheat to the Nation or tribe from which title to the trust or restricted Indian lands or interest therein was derived and shall be held thereafter in trust by the United States for said nation or tribe.

With the following committee amendments:

Page 1, line 9, after "lands" insert "in Oklahoma"

Page 1, line 10 through page 2, line 1, strike out "in Oklahoma, such lands or interests owned, together with all rents and profits occurring therefrom," and insert "or rents or profits therefrom, such lands, interest, or profits"

(Mr. HALEY asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. HALEY. Mr. Speaker, the purpose of H.R. 4145, introduced by Mr. EDMONDSON, is to provide that when a member, or the decedent of a member, of the Cherokee, Chickasaw, Choctaw, or Seminole Tribes of Oklahoma dies without a will, and he has no heirs, his interest in any trust or restricted land, or in the rents therefrom, will escheat to the tribe.

The enactment of this bill is needed to make applicable to the four tribes named the same rule of law that has applied for many years to most other tribes throughout the country—25 U.S.C. 373a.

The general law by its terms does not apply to the Five Civilized Tribes of Oklahoma—which are the four tribes named in this bill, plus the Creek Tribe of Oklahoma. The reason for the exception probably was the fact that a 1918 statute, 25 U.S.C. 375, gave the Oklahoma courts jurisdiction to probate the estates of deceased members of these tribes. The 1918

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

For actions of April 1, 1970
91st-2nd; No. 50

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HIGHLIGHTS: Senate agreed to conference report on education bill. Senate concurred in House amendments to Indian tribes loans bill. Sen. Mansfield reviewed legislative accomplishments. Sen. Harris objected to Administration's "set-aside" farm proposal. Sen. Hruska praised this Department's efforts to alleviate freight car shortage. Sen. Mondale inserted article, "Rural Development Gets Back-Burner Treatment." Sen. Hruska praised Anderson, ARS.

SENATE

1. LOANS; INDIANS. Agreed to House amendments to S. 227, to authorize loans to Indian tribes for land acquisition. This bill will now be sent to the President. p. S4829
2. EDUCATION. Agreed to the conference report on H. R. 514, to extend programs of assistance for elementary and secondary education. pp. S4802-13, S4815-24

3. MARKETING AGREEMENTS; WILDLIFE. The Committee on Agriculture and Forestry ordered favorably reported (but did not actually report) with amendment S. 2484, authorizing marketing agreements providing for the advertising of Hawaiian papayas; and with amendments S. 3598, to authorize Federal assistance for land utilization programs to promote fish, wildlife, and recreational development. p. D300
4. HOUSING. Received the President's report on national housing goals; to Banking and Currency Committee. p. S4742
Sen. Tower inserted a speech, "The Challenge and Crisis in Housing", delivered by the chairman of the Federal Home Loan Bank Board. pp. S4799-801
5. LEGISLATION. Sen. Mansfield reviewed and listed the legislative accomplishments of the second session of the 91st Congress. pp. S4729-34
6. FARM PROGRAM. Sen. Harris expressed agreement with the "coalition farm bill" and inserted a National Farmers Union press release critical of the "set-aside" plan. p. S4764
7. RURAL DEVELOPMENT. Sen. Mondale noted that a letter signed by 16 Senators and addressed to the President on the subject of rural development had received no reply; he then inserted an article critical of the Administration's record on rural development. pp. S4766-7
8. FAMILY FARM. Sen. Mondale inserted two articles which praise the family farm concept and deplore the corporation farm as a real threat to the farm family. pp. S4794-5
9. ENVIRONMENT; PESTICIDES. Sen. Cranston inserted a newspaper interview with Sen. Nelson in which this Department is criticized for its stand on the use of DDT. pp. S4751-4
Sen. McGovern inserted the ecology statement of the National Farmers Union which refers to the family farmers as the "historic custodians of Mother Earth." pp. S4801
10. FREIGHT CAR SHORTAGE. Sen. Hruska stated that he was "outraged at the inequities of railroad service in our Nation" and inserted his own and the testimony of Secretary Hardin on the box car shortage. pp. S4754-6
11. PERSONNEL; RESEARCH. Sen. Hruska commented on the retirement of Dr. Robert J. Anderson, stating that "Dr. Anderson has contributed significantly to the well-being of millions of farmers and consumers in this Nation and in many countries throughout the world." pp. S4763-4

EXTENSION OF REMARKS

12. ENVIRONMENT. Sen. Cranston said that international ecology is a matter of great concern, and inserted an article reporting on the international crisis of our environment. p. E2750
13. ELECTRIFICATION. Sen. Metcalf inserted "A Report for Action on the Dickey-Lincoln School Project." pp. E2751-3

and therefore to be present at all times at his own trial.

In its decision this week, the Supreme Court acted on the case of an abusive armed robbery defendant in Illinois. But the principle surely would apply in these other cases.

"We explicitly hold today," said the high court, "that a defendant can lose his right to be present at trial if, after he has been warned by the judge that he will be removed if he continues his disruptive behavior, he nevertheless insists on conducting himself in a manner so disorderly, disruptive and disrespectful of the court that his trial cannot be carried on with him in the courtroom."

In concurring with the majority opinion written by Justice Hugo L. Black, Justice William J. Brennan appropriately added:

"Due process does not require the presence of the defendant if his presence means there will be no orderly process at all."

Disruptive behavior in court is not a new tactic, of course, despite the recent developments. And most judges have dealt with it, either by barring the defendant, using contempt citations or even gagging the offenders—all of which was approved by the Supreme Court.

We hope this decision of the court will serve to permanently rescue our judicial process from the travesty with which it has been threatened.

LOANS TO CERTAIN INDIAN TRIBES

Mr. BYRD of West Virginia. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 227.

The PRESIDING OFFICER (Mr. SCHWEIKER) laid before the Senate the amendments of the House of Representatives to the bill (S. 227) to provide for loans to Indian tribes and tribal corporations, and for other purposes, which are on page 1, line 5, after "338(c)" insert ", and to make and insure loans as provided in sections 308 and 309,".

On page 1, line 7, after "1988(c)" insert ", 1928, 1929".

On page 2, line 1, after "Interior", insert ", or within a community in Alaska incorporated by the Secretary pursuant to the Indian Reorganization Act,".

On page 2, lines 1 and 2, strike out "or its members", and insert "or the corporation or the members of either".

On page 2, line 8, after "made", insert "or insured".

On page 2, line 12, after "made", insert "or insured".

On page 2, line 25, after "made", insert "or insured".

Mr. BURDICK. Mr. President, on September 12, the Senate passed S. 227, which provides needed authority for the Farmers Home Administration to make loans to tribes to enable them to purchase lands within their reservations necessary to promote the economic welfare of Indian groups.

The House amendments expand the bill so that, in addition to making direct loans from its direct loan account, the Farmers Home Administration may insure loans to tribes made by commercial lending institutions. This will serve the

double purpose of conserving the Federal loan account and opening up a broader source of credit. The Department of Agriculture has endorsed this amendment.

A further amendment also specifies that the eight Indian Reorganization Act corporations in Alaska are eligible for loans to buy land although they do not have reservations.

Mr. President, as the author of S. 227, these amendments are perfectly satisfactory to me. Therefore, I move that the Senate concur in the amendments of the House to S. 227.

Mr. ALLOTT. Mr. President, S. 227 as passed by the Senate, is a bill which authorizes the mortgaging of Indian lands and authorizes the Farmers Home Administration to make loans from the direct loan account to Indian tribes or tribal corporations, for the purpose of acquiring lands within an Indian reservation. I favor the basic concept of the legislation and feel that it will be useful in helping the tribes to consolidate their land holdings within a reservation into more manageable units.

When the bill was considered by the House, two amendments were adopted. The first amendment expanded the bill so that in addition to direct loans, the Farmers Home Administration may also insure loans made by commercial lending institutions. This would make available to the tribes additional sources of funds, and in my opinion constitutes an improvement over the Senate version.

The second amendment expands the coverage of the bill to the eight Indian Reorganization Act corporations in Alaska. On the face of it, this is a logical extension of the purposes of the bill; however, as I read the language of the bill, and specifically section 2, the Secretary of the Interior could take in trust title to lands purchased by the eight Indian Reorganization Act corporations in Alaska, without regard to whether the lands so purchased were within a reservation. The question of taking title to Indian lands outside the boundaries of a reservation has been a troublesome matter over which the Senate Interior Committee has struggled for some time.

I have no objection to including the Alaska Indians under the terms of the bill, but in light of the underlying concepts being considered in the pending legislation to settle the Alaska native land claims relating to the absence of reservations, it would appear that we may be undoing some of the important things to be accomplished by the native land claim settlement legislation. The acceptance of title in trust to lands acquired under FHA loans, would, it seems to me, be contrary to the philosophy of the proposed legislative settlement recommended by the Department of Interior, and other legislation on this subject.

The language of section 2 is permissive and discretionary. Therefore, in

consideration of the "no reservation" philosophy of the Alaska natives claims settlement legislation, we assume and understand that the Secretary will not accept title in trust for the Alaska Indian corporations covered under this bill, at least until the ultimate disposition of the settlement legislation is determined. In other words, if the settlement legislation should fail to become law, then the Secretary may wish to reassess the advisability of accepting title to such acquired lands in trust.

It is my understanding that the sponsor of the bill, the Senator from North Dakota (Mr. BURDICK) concurs in this; and with this understanding it will not be necessary to hold a joint House and Senate conference on the bill.

I would like to solicit now the remarks of the distinguished Senator from North Dakota, who has been handed a copy of the statement I have just made, and learn whether he concurs in these remarks.

Mr. BURDICK. Yes, I find myself in substantial agreement with what the Senator has said. We can reassess our position after we have handled the Indian claims measure now before the Senate.

Mr. ALLOTT. I thank the Senator. He says "in substantial agreement." I presume he means that he is in accord with the position I have announced.

Mr. President, while I am anxious to accommodate the general purpose of the bill which the Senator from North Dakota introduced, I am concerned about the implications that could arise, particularly under section 2, if the bill is not taken in the context in which this legislative history is being made. As a matter of fact, if we could not agree on this legislative history, I would think that we should not accept the bill, but that it should go back to conference.

With the assurance that the Senator from North Dakota has made—and he has been interested in Indian problems a long time, together with his senior colleague—I am perfectly satisfied with the situation, provided that it is well recognized that, without any dispute, this is the legislative history covering the bill.

Mr. BURDICK. It will be so recognized.

Mr. ALLOTT. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from North Dakota.

The motion was agreed to.

ORDER OF BUSINESS

Mr. BYRD of West Virginia. Mr. President, for the information of the Senate, what is the pending business?

The PRESIDING OFFICER. S. 3083, a bill to authorize the disposal of cornum from the national stockpile.

Mr. BYRD of West Virginia. I thank the Presiding Officer.

Mr. President, is the Senate in legislative session or is it in executive session?

The PRESIDING OFFICER. In legislative session.

Mr. BYRD of West Virginia. I thank the Presiding Officer.

ADJOURNMENT TO 11 A.M.
TOMORROW

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 11 o'clock tomorrow morning.

The motion was agreed to; and (at 4 o'clock and 56 minutes p.m.) the Senate adjourned until tomorrow, Thursday, April 2, 1970, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate April 1, 1970:

DEPARTMENT OF THE INTERIOR

Fred J. Russell, of California, to the Under Secretary of the Interior, vice Russell E. Train.

U.S. AIR FORCE

The following officers for appointment in the Air Force Reserve to the grade indicated, under the provisions of chapters 35 and 837, title 10 of the United States Code:

To be major general

Brig. Gen. Homer I. Lewis, 458-16-5137FV, Air Force Reserve.

Brig. Gen. James L. Murray, 548-50-6223FV, Air Force Reserve.

Brig. Gen. Wendell B. Sell, 551-14-1168FV, Air Force Reserve.

Brig. Gen. Frank H. Spink, Jr., 496-07-7108FV, Air Force Reserve.

To be brigadier general

Col. Stuart G. Haynsworth, 277-16-4169FV, Air Force Reserve.

Col. Robert H. Hutchinson, 360-10-2640FV, Air Force Reserve.

Col. Ralph M. Lain, 444-12-3218FV, Air Force Reserve.

Col. Vorley M. Rexroad, 236-14-9004FV, Air Force Reserve.

Col. Benton C. Tolley, Jr., 224-18-8217FV, Air Force Reserve.

Col. David Waxman, 134-09-4998FV, Air Force Reserve.

Col. Alfred J. Wood, Jr., 187-18-3525FV, Air Force Reserve.

U.S. MARINE CORPS

Lt Col. Albert F. Schoepper, U.S. Marine Corps, for appointment to the grade of colonel.

Capt. Dale L. Harpham, U.S. Marine Corps, for appointment to the grade of major.



Public Law 91-229
91st Congress, S. 227
April 11, 1970

An Act

84 STAT. 120

To provide for loans to Indian tribes and tribal corporations, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Agriculture is authorized to make loans from the Farmers Home Administration Direct Loan Account created by section 338(c), and to make and insure loans as provided in sections 308 and 309, of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1988(c), 1928, 1929), to any Indian tribe recognized by the Secretary of the Interior or tribal corporation established pursuant to the Indian Reorganization Act (25 U.S.C. 477), which does not have adequate uncommitted funds, to acquire lands or interests therein within the tribe's reservation as determined by the Secretary of the Interior, or within a community in Alaska incorporated by the Secretary pursuant to the Indian Reorganization Act, for use of the tribe or the corporation or the members of either. Such loans shall be limited to such Indian tribes or tribal corporations as have reasonable prospects of success in their proposed operations and as are unable to obtain sufficient credit elsewhere at reasonable rates and terms to finance the purposes authorized in this Act.

SEC. 2. Title to land acquired by a tribe or tribal corporation with a loan made or insured pursuant to this Act may, with the approval of the Secretary of the Interior, be taken by the United States in trust for the tribe or tribal corporation.

SEC. 3. A tribe or tribal corporation to which a loan is made or insured pursuant to this Act (1) may waive in writing any immunity from suit or liability which it may possess, (2) may mortgage or otherwise hypothecate trust or restricted property if (a) authorized by its constitution or charter or by a tribal referendum, and (b) approved by the Secretary of the Interior, and (3) shall comply with rules and regulations prescribed by the Secretary of Agriculture in connection with such loans.

SEC. 4. Trust or restricted tribal or tribal corporation property mortgaged pursuant to this Act shall be subject to foreclosure and sale or conveyance in lieu of foreclosure, free of such trust or restrictions, in accordance with the laws of the State in which the property is located.

SEC. 5. Loans made or insured pursuant to this Act will be subject to the interest rate provisions of section 307(a) of the Consolidated Farmers Home Administration Act of 1961, as amended, and to the provisions of subtitle D of that Act except sections 340, 341, 342, and 343 thereof: *Provided*, That section 334 thereof shall not be

Indians.
Loans.

75 Stat. 316,
308.
82 Stat. 770.
48 Stat. 988.

Limitation.

Title in trust.

Rights and
privileges.

Mortgaged
property.

75 Stat. 308.
7 USC 1927.
7 USC 1990,
1921 note,
1013a, 1991,
1984.

construed to subject to taxation any lands or interests therein while they are held by an Indian tribe or tribal corporation or by the United States in trust for such tribe or tribal corporation pursuant to this Act.

Approved April 11, 1970.

LEGISLATIVE HISTORY:

HOUSE REPORT No. 91-864 (Comm. on Interior and Insular Affairs).

SENATE REPORT No. 91-393 (Comm. on Interior and Insular Affairs).

CONGRESSIONAL RECORD:

Vol. 115 (1969): Sept. 12, considered and passed Senate.

Vol. 116 (1970): Mar. 16, considered and passed House, amended.

Apr. 1, Senate agreed to House amendments.